

**323.5 Burden of proof.**

Upon hearing, if the department finds the statements contained in the application are true, then the franchiser or distributor that intends to terminate or not renew the distributor franchise or dealer franchise shall have the burden of proof to establish that the franchiser or distributor, as the case may be, has good cause for terminating or not renewing the franchise.

If the department finds the statements contained in the application are not true, the application shall be denied. Nothing contained in [this chapter](#) shall be construed to require or authorize any investigation by the department of any matter before the department under [this chapter](#). Upon hearing the department shall hear the evidence introduced by the parties and shall make its decision solely upon the record made. If the department denies the termination or nonrenewal of the franchise, it may make such further order as may be necessary to require compliance with the terms of the franchise and to prevent retaliatory action.

[C75, 77, 79, 81, §323.5]